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Newsletter from the Canadian Forest Service, Pacific Forestry Centre

FNFP

THE FIRST NATIONS FORESTRY PROGRAM: AN OVERVIEW

The First Nations Forestry Program (FNFP) is a partnership involving First Nations, the Government of Canada, provincial and territorial governments and the forest industry. It began in April 1996, and is jointly funded by Natural Resources Canada, Canadian Forest Service, and Indian and Northern Affairs Canada. The program was extended in 2001 and 2002, and renewed for a five-year period in 2003.

It is the only federal program in Canada that focuses exclusively on First Nations forestry. Its purpose is to improve economic conditions in status First Nation communities with full consideration of the principles of sustainable forest management. FNFP is designed to assist First Nations to build capacity and assume control of the management of forest resources on reserve lands, to establish partnerships and to actively participate in off-reserve forestry and other economic development opportunities.

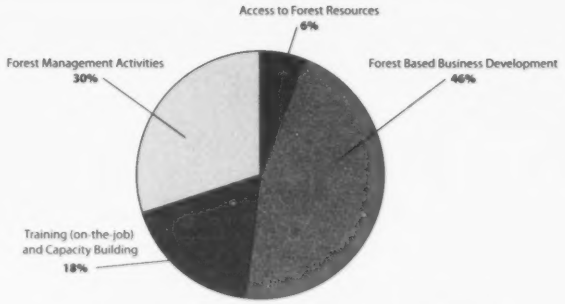
Its four main objectives are:

1. To enhance the capacity of First Nations to sustainably manage their forest lands;

2. To enhance the capacity of First Nations to operate and participate in forest-based development opportunities and their benefits;

3. To advance the knowledge of First Nations in sustainable forest management and forest-based business development; and

4. To enhance the institutional capacity of First Nations at the provincial/territorial level to support their participation in the forest-based economy.



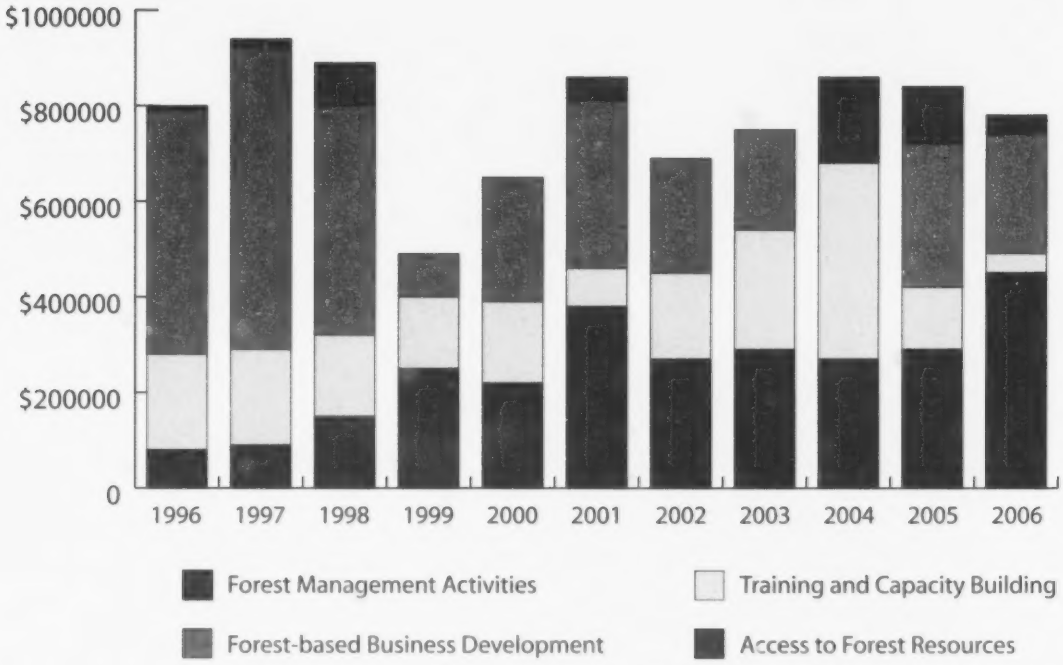
FNFP Funding by business line 1996-2006 (British Columbia)

The maximum amount allowed for each application in B.C. under FNFP is $25,000, and applicants must contribute at least 20 per cent of the total cost, directly or indirectly through support such as professional services, labour, space or equipment.

PROGRAM MANAGEMENT

While a National Management Committee provides overall broad program direction, the management and delivery of FNFP in each province or territory is the responsibility of management committees that develop policies, standards and procedures, communications strategies, work plans and other program elements.

In British Columbia, the FNFP management committee (or management board, as it is known) is made up of 10 members: eight First Nation representatives from communities, businesses and academia, and one representative each from the Canadian Forest Service and Indian and Northern Affairs Canada.



Funding allocation by year 1996-2006

Former B.C. management board member Gordon Prest (Sto:lo Nation) says FNFP's value to First Nations communities in the province is strengthened by the fact that eight of the 10 board members are First Nations representatives.

And it is a management board, he says, not an advisory board. This is one of the things that appealed to him when he was invited to sit on the first board in 1996. While the Canadian Forest Service has a secretariat that provides excellent support, FNFP was one of the first government-sponsored initiatives where decisions were made by a predominantly First Nations board

The board members also bring a range of expertise to the table. "One of the huge benefits is the mixture of people – some are band administrators, some work in the forest business, some represent government agencies," says board member Victor Tom (Saik'uz First Nation).

The FNFP management board meets at least twice a year, once to review the guidelines and once to review proposals that have been submitted.

PROGRAM RESULTS

In 2006/07, the FNFP management board in B.C. approved two proposals as part of a pilot project to support larger-scale initiatives involving multiple bands on a regional level. Funding for regional initiatives is up to $75,000.

"Over time, FNFP has helped First Nations communities build technical capacity and off-reserve economic opportunities," says Bill Wilson, program and industry, trade and economics director of the Pacific Forestry Centre and the government co-chair of the management board.

"Among other things, this has helped First Nations in the province's interior respond to the catastrophic mountain pine beetle infestation. FNFP complements the work of the federal Mountain Pine Beetle Initiative, which supports operational activities on reserve lands such as controlling the infestation, reducing the risk of wildfire and rehabilitating damaged forests."

FNFP

MESSAGE FROM RON MATTHEW, CO-CHAIR, BC FNFP

One of the best ways to make sure a program is on track is to pause and look back. Such a reflection would show that the First Nations Forestry Program has certainly achieved what was intended 10 years ago.

The statistics alone tell a story – FNFP has invested $8.9 million in 440 projects across B.C. since 1996, building capacity in 437 First Nations communities of all sizes. The projects have led to joint ventures and partnerships, supported market studies and business plans, enhanced forest management and business training, and much more. The projects offer a snapshot of what's happening in First Nations communities across B.C.

Personal observations are even more powerful. Every member of the management board has heard stories from First Nations leaders about how FNFP is fulfilling a need within their communities. Since most board members represent First Nations, we understand what must be done to build First Nations forestry and can make sure the program is working.

But we can't do it alone. The program's success reflects the fact that First Nations people across the province are keen to build on the opportunities they see before them. FNFP is able to contribute to business projects off reserve, so it helps First Nations communities and entrepreneurs build partnerships and compete for broader opportunities. Every year we receive far more applications than we can fund, and the quality of the proposals keeps getting better.

If I had a wish it would be that FNFP receives broader recognition and more stable funding. First Nations people across Canada know the program is making a difference yet it continues to exist on five-year extensions, which makes long-term planning a challenge.

Ron Matthew, Co-Chair, BC FNFP Management Board.

FNFP is truly unique – it lets First Nations people look after First Nations communities. It encourages First Nations to develop management plans for their forests, giving them the experience they need to go after woodlots and off-reserve forest licences. Each investment in a community grows many times over

Learning about NTFP

In 2005, Royal Roads University hosted an international conference, skills workshop and trade show in Victoria on non-timber forest products. Cowichan Tribes coordinated an FNFP project, which provided support for 19 First Nations participants representing 11 First Nations from across B.C. to attend this international gathering of non-timber forest products experts.

as businesses reach a point where they can succeed on their own. And in every way, we ensure the program is responsive to community needs, fair to all First Nations throughout B.C., and fiscally accountable.

We have had a number of really good people working with the program over the years, and it shows. One of the most complex tasks facing the board is selecting which of the large number of impressive applications received each year should be supported. Program manager Nello Cataldo and his secretariat at the Canadian Forest Service make this process a lot easier by carefully screening, grading and categorizing each application. The result is a truly objective and fair process that I am confident is yielding impressive and lasting results for First Nations in B.C.

Ron Matthew is a member of North Thompson Indian Band and is on the board of the Simpcw Development Corporation

A PROGRAM SHAPED TO MEET FIRST NATIONS NEEDS

If demand is a sign of success, the First Nations Forestry Program in B.C. has been a winner since day one. In its first year, it had a budget of about $1.2 million – and received 139 project proposals worth $15.5 million.

There's good reason for this popularity. FNFP is led by a management board that represents First Nations communities and has taken care to make sure the program's guidelines and policies address real community needs.

Victor Tom, band manager of Saik'uz First Nation, says he was preparing for his first management board meeting two years ago when he realized that FNFP was different. "It was actually directed at First Nations to help them with their forestry programs."

While FNFP is completely transparent and accountable, he says, its processes are streamlined and

Meeting Community Needs

There was a time when the Gitxsan Band people, who live at Bear Lake in remote north-central B.C., had to take the train south if they wanted to find a job.

The An Dsap Wilp Society, which represents the Bear Lake Community about 100 km north of Takla Landing, wanted this to change. With help from FNFP, it completed a business plan so that XFP, its forest operations company, could apply for a forest licence to harvest timber near Bear Lake. FNFP later supported planning and management activities relating to the development of the licence, and this year helped when the community was forced to relocate its logging to the Fort St. James area to help salvage mountain pine beetle killed timber before it deteriorates.

The society's purpose is to bring together traditional aboriginal knowledge and culture with modern science and technology to manage natural resources within the traditional territory and to create opportunities for training and employment.

Chief Thomas Patrick is optimistic that this forestry development, combined with traditional fishing and hunting, will enable the Bear Lake people to stay at home and should even attract young people back to the community. "Although the mountain pine beetle has disrupted our plans, the FNFP has helped us overcome the difficulties and we hope to pursue our long-term vision of developing a sustainable community at Bear Lake as soon as possible."

Chief Thomas Patrick (far left) and family

Canadian Forest Service staff work with communities, which means applicants without a lot of staff or resources can participate. Fast decisions also mean opportunities are not lost while paperwork is being processed.

"We don't just send out a letter of intent and expect to receive fully developed proposals," says board co-chair Ron Matthew. "Instead, we have a two-step process. Eligible recipients are encouraged to send us a letter of interest that sets out the community's strategic direction or vision for forestry. Those that are approved then submit additional information in consultation with the Canadian Forestry Service. It's a process that makes the program readily accessible to all First Nation communities in B.C., regardless of size, location or current capacity."

"There has always been emphasis placed on being inclusive so benefits are available to as many of the 197 bands and 34 tribal councils across B.C. as possible," says Brian Williams of Kispiox Band, a board member since shortly after the program began.

This is a view echoed by former board member Nathan Matthew of North Thompson Indian Band, who also sat on the original board. "We worked hard to develop allocation criteria that would ensure available funds were distributed fairly."

Where possible, the management board gives preference to applicants that have strong proposals but have not received funding in the past, and more recently it has invited regional initiatives that involve a number of bands.

One of the toughest jobs of the management board is making the final cut when there are so many excellent proposals. Williams says he wishes there was a bigger budget. "There are a lot of communities out there trying really hard but they sometimes just can't seem to succeed in becoming one of the 40 or so projects chosen."

Board member Clarence Louie, chief and CEO of the Osoyoos Indian Band, credits the Canadian Forest Service's staff in Victoria for keeping the selection process simple, objective and fair. "The staff are as good as they get. They grade the applications and put them in categories to help the board select the projects."

	Number of Apps. rec'd	Number of Projects Funded	Number of Communities
1996	**139**	**37**	**29**
1997	79	42	42
1998	**96**	**62**	**60**
1999	105	44	43
2000	**88**	**33**	**33**
2001	98	40	38
2002	**128**	**43**	**43**
2003	99	34	34
2004	**97**	**36**	**36**
2005	90	39	37
2006	**91**	**30**	**32**
Total	**1110**	**440**	**437**

FNFP *HOW FNFP IS MAKING A DIFFERENCE*

Brian Williams of Kispiox Band knows how frustrating it can be when First Nations communities located in the heart of rich forest lands seem to be shut out of B.C.'s forest economy.

Williams, a member of the First Nations Forestry Program management board, says the program has helped to open a lot of doors in the last 10 years. "FNFP drew out entrepreneurs who needed a little kick start. A lot of people saw opportunities. To me it's working. There is more capacity."

Former board member Nathan Matthew of the North Thompson Indian Band says that when he joined the management board in 1996 "there really was limited opportunity for First Nations to do their own planning based on their own ideas".

Matthew, now president of Simpcw Development Corporation, says there is still a lot to be done. "But through FNFP, communities have been able to step back and plan more broadly, and they are able to share experiences and best practices. As a result, they will be on far stronger footing with the province and major corporations as they gain access to more of the forest resource."

Richard Manuel of Neskonlith Indian Band near Chase uses his own community as an example of what's possible. In 1996, when he became a member of the management board, the band had no forest-related economy. Today, it has a woodlot licence, a non-renewable forest licence and a woodworking shop – which Manuel describes as a career incubator. "Without FNFP, I doubt any of this would have been possible."

"The FNFP has also been an excellent vehicle to foster partnerships and leverage additional federal and provincial funding," says Bob Hart, the Indian and Northern Affairs representative on the board. "For example, our work with Forest Renewal BC and INAC's Resource Access Negotiations Program allowed us to extend our work, as well as the work of our partners' programs, to more than 30 additional communities."

Richard Manuel, Neskonlith Indian Band

Brett Chapman, Skawahlook First Nation

Board member Dan Gravelle (Ktunaxa-Kinbasket Tribal Council) says he does not know where bands that need the help would be today without FNFP. "It's there for every band in the province, every entrepreneur. It is advancing people to a new level of opportunity."

A FOREST SECTOR BASED ON TRADITIONAL VALUES

FNFP

First Nations forest enterprises differ from mainstream businesses because they must address cultural and community values as well as economic concerns.

"The health of the resource and the environment is as important as the bottom line," says Earl Smith, a First Nations forestry consultant and member of the First National Forestry Program management board.

Planning for the future

At an Aboriginal Forest Industries Council workshop in Kamloops, Duane Eustache, natural resource referral technician, Simpcw First Nation, talked about the need for First Nations to keep skilled people at home and develop long-term planning. "If you can give the kids in your community some confidence that the forest business will offer them a future, that's an important measure of success."

"If we don't have clean air, clean soil and clear water, the environment and ecology will not sustain healthy forests. There is a need for balance, to reinvest back into the resource and forests to ensure the health of traditional herbs and medicines."

As a result, the many associations that support the forest sector are not equipped to deal with the specific needs of emerging First Nation businesses. In 2000, FNFP asked 283 bands, tribal councils, forest industry businesses, governments and individuals if they were interested in a council dedicated to aboriginal forest industries. Not surprisingly, 90 per cent of respondents said they were.

This led to the creation of the Aboriginal Forest Industries Council in 2002, with Earl Smith as its chair. Smith is well suited to lead AFIC because of his broad experience with the forest industry in B.C., much of it directly linked to First Nations interests. He has worked in the woods, managed his own companies and contracted with the forest industry on the west coast of Vancouver Island.

It's not the first time Smith has been part of something new. He was involved in the development of the Canada-British Columbia Forest Resource Development Agreement, which preceded FNFP. FRDA built not only a foundation for resource management but also the business management skills that are important to FNFP. Smith joined the new FNFP board in 1996 in part because he wanted to see the work started by FRDA continue.

It was a logical progression. One of the components of FRDA helped First Nations ensure forests on reserve lands were properly managed, and FNFP supports projects both on reserve and off reserve. Smith is pleased with FNFP's results so far. "We've achieved something. While we would like it to be quicker, we have achieved a lot."

He would, however, prefer a longer-term vision for FNFP. "We have a vision that in 20 years, First Nations will be managing 20 per cent of B.C.'s allowable annual cut. To realize this vision, FNFP needs funding and support over the long term with dedicated funds to develop a business culture in First Nations communities."

He hopes that one day the FNFP management board will be made up of "young First Nation forest managers who understand the industry as well as our values and our connection to the lands, forests and waters".

AFIC helps to support this goal by offering a united voice for aboriginal forestry companies, with a networking and technical resource centre for established and emerging businesses. Members can share technical information and obtain assistance or advice about business development, planning and operations.

One of the council's first activities was to stage regional business development workshops for First Nations forestry operators and professionals – each had a networking session where participants talked about successes, opportunities and obstacles, and a business clinic to develop skills.

Victor Godin, executive director of AFIC, says the organization's value will grow as the amount of land managed by First Nations increases. Access alone will not bring business success, it is just as important to understand market realities today and into the future.

Helping to get started

"In terms of capacity, the bands we deal with through FNFP are all over the spectrum," says Anne Dickinson of the Canadian Forest Service. "Some are small; some have a sophisticated management structure with professional foresters on staff. The thing I like about FNFP is that it has the potential to help any First Nation take the next step and get further along the road."

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BUILDING BUSINESS CAPACITY FOR FIRST NATIONS

Chief Clarence Louie has one big complaint about the First Nations Forestry Program – it just isn't big enough..

As chief and CEO of the Osoyoos Indian Band and a member of the FNFP management board, Louie says he would prefer that government focus on economic development instead of social programs. And FNFP is especially relevant in B.C., he says, because forestry offers the only chance for a real economy in many First Nations communities. "There should be more programs like FNFP that create jobs and make money for First Nations communities."

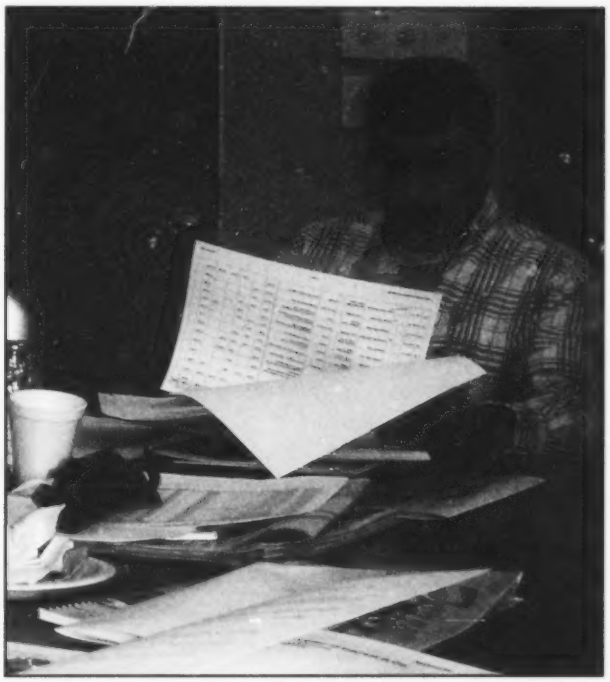
In 1996, when FNFP was launched, First Nations were harvesting less than three-quarters of one per cent of B.C.'s allowable annual cut. Today, First Nations communities are managing six per cent of the allowable annual cut in B.C., and the amount continues to increase.

While FNFP is geared to consider the unique needs of each applicant, it is beginning to see more proposals related to support for mature businesses or joint ventures.

"It has changed quite a bit from where it started out to where it is at today – we've gone from silviculture to sawmill operations," says board member Dan Gravelle of Ktunaxa-Kinbasket Tribal Council. "Where FNFP once dealt more with individuals, it is now dealing with economic corporations."

Former board member Gordon Prest has seen a lot of changes since he began to work in the forest industry. "First Nations people were once primarily labourers but they now are managing businesses and becoming important players in the sector."

"We've moved a long ways, and not just through FNFP," he says. First Nations are benefiting from



Dan Gravelle (Ktunaxa-Kinbasket Tribal Council)

court decisions and the New Relationship with the Government of British Columbia. FNFP is helping First Nations communities better understand markets and business conditions so they can pursue the resulting off-reserve opportunities.

"Aboriginal title and rights has kicked the door open on natural resource sharing," says Chief Clarence Louie. "Big companies are coming to realize they have to engage First Nations, not just take, take, take from traditional territories."

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ACHIEVING MORE THROUGH PARTNERSHIPS

The partnerships and joint ventures developed with the help of the First Nations Forestry Program are helping First Nations build stronger economic opportunities and bringing together companies and cultures.

There are always opportunities for partnerships, says management board member Victor Tom of the Saik'uz First Nation, and partnerships as "a way to encourage strong, sustainable economic activities".

Dan Gravelle, also a member of the board, says bands throughout the province are partnering with major companies. This provides the capital needed to proceed, creates good business relationships and diversifies control of the forest resource in B.C. He has experience himself in finding ways to leverage programs to strengthen forest management when he was a member of the Tobacco Plains Indian Band council.

Support for off-reserve partnerships is key for the emerging First Nations forest sector, says former management board member Gordon Prest. Reserve lands are not big enough to deliver the economic opportunities so "we have to develop partnerships off-reserve that will accelerate the process".

In addition to business partnerships, Prest says FNFP's seed funding encourages applications to link to other funding programs so they can achieve even more through larger, longer-term projects. "This has led to some fairly exciting projects that truly build capacity in aboriginal communities."

Working with partners

Jeff Mercer, band manager at Skway First Nation, also known as Shxwhaay Village, knows the importance of working with others.

Skway First Nation received $25,000 through FNFP to train four people in woodworking. In less than a year, Raindrop Drum Company, owned by two of the trainees, was up and running. The business relies on the band's rich cultural tradition, and will produce small six-inch ceremonial drums that can be given away as promotions, as well as larger drums. "The key is to be able to make consistent, quality products for which there is a market – products that can be made in cost-effective manner in sufficient quantity," says Mercer.

The City of Chilliwack, through its economic development corporation, provided space for the woodworking shop and Sto:lo Development Corporation's Tourism Commission has agreed to sell the drums in its artisan gallery. Skway is discussing funding with Aboriginal Business Canada so it can complete a detailed business and marketing plan.

Skway First Nation received $25,000 through FNFP to start the Rainbow Drum Company

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DEVELOPING SKILLS FOR A FIRST NATIONS FOREST ECONOMY

A strong First Nations forest sector needs forest professionals skilled in both the science of forestry and traditional knowledge, and managers able to run a business that respects community interests.

"Capacity means a lot more than building a strong economy," says board co-chair Ron Matthew. "Success breeds success. If we are able to get businesses up and running so they can stand on their own, they serve as role models for other entrepreneurs and other communities. It's a win-win."

Len Joe of Grizzly-Man Resource Management in Merritt is an example of what is possible. He was barely out of university when he started his company in 1999. Today Grizzly-Man has 11 employees – including a number of registered professional foresters – and Joe is a member of the FNFP management board.

FNFP offers the seed money that is so invaluable to someone thinking about starting a business, he says. "It gives initial access to funding so they can try something new that they probably would not do without the program."

Forestry is going to be different 20 years from now, but there will still be forestry and First Nations people have a unique contribution to make, says Joe, a member of Shackan First Nation. "A First Nations forester is not a forester who happens to be First Nation. Who you are is your life. Our values and our traditions and our practices are found within ourselves – not in books."

He is keen to see FNFP strengthen forest stewardship, both on reserves and beyond. "We have to look at the land, we have responsibility for future generations," he says. If the economy falters, First Nations people don't have the option to pack up and move to another province – "this is my bed, my children's bed, I can't leave it".

Gordon Prest served as a member of the original FNFP management board and recommended Joe as his replacement because he wanted someone who shared his passion for strengthening First Nation skills and expertise. Prest points out that when he began working with the University of British Columbia's Faculty of Forestry in 1994, only three people of aboriginal ancestry had graduated. Since then, 25 have graduated.

FNFP is "a very proactive, forward-thinking kind of initiative," Prest says. It is helping give more First Nations people the skills they need to take on the roles of managers and skilled professionals.

And that's something First Nations entrepreneurs welcome. Victor Godin, executive director of the Aboriginal Forest Industries Council, says that surveys of First Nations business leaders found there is a demand for more investment to build the managerial and business skills they know will be essential in a post-treaty environment.

Planning for 2010

A lot of people travel Highway 7 in the Fraser Valley east of Vancouver – and there are bound to be a lot more when British Columbia hosts the 2010 Olympic and Paralymic Winter Games.

With the help of $25,000 from the FNFP, Skawahlook First Nation is giving these travellers a reason to stop, with shops selling products band members have made from wood such as high-grade picture frames, tables, bookshelves and elaborate jewellery boxes.

"Eventually we plan to offer an opportunity for some young people to learn from our woodworking shop crew," says Debra Schneider, the First Nations' lands and natural resources manager. "That will provide some employment and skills training, but it will also help preserve traditions of Skawahlook arts and crafts in future."

The Bridge, published by the Canadian Forest Service, is a newsletter of Natural Resources Canada's First Nations Element of the Mountain Pine Beetle Initiative, and of the British Columbia First Nations Forestry Program - a partnership between Natural Resources Canada and Indian and Northern Affairs Canada.

For more information contact the Pacific Forestry Centre at 506 W. Burnside Rd. Victoria BC V8Z 1M5, (250) 363-0600, or on the web at pfc.cfs.nrcan.gc.ca

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